

UNITED STATES DISTRICT COURT
DISTRICT OF MAINE

HUNTER ASSOCIATES, INC.,

Plaintiff

v.

JAMES ALBERT, D/B/A PHOTO
CLASSIFIED,

Defendant

Civil No. 96-116-P-C

GENE CARTER, Chief Judge

**MEMORANDUM AND ORDER DENYING PLAINTIFF'S MOTION FOR A
TEMPORARY RESTRAINING ORDER AND PRELIMINARY INJUNCTION**

Plaintiff and Defendant are publishers of competing magazines of classified advertisements for automotive vehicles. Now before the Court is Plaintiff's Motion for Temporary Restraining Order and Preliminary Injunction (Docket No. 2) requesting this Court to enjoin Defendant from copying the cover design of Plaintiff's magazine and from displaying his magazine in Plaintiff's retail display racks. This Court will deny the motion because Plaintiff has failed to demonstrate a likelihood of success on the merits.

FACTS

In support of its motion, Plaintiff has submitted declarations of Thomas Lemberger, Frank Sleeper, and Russ Glidden (Docket Nos. 3, 4, 5). Lemberger is the President of Plaintiff Hunter Associates, Inc., the publisher of Auto Hunter, a photo

classified magazine for automotive vehicles. Lemberger ¶ 2. Sleeper and Glidden are distributors of the magazine. Sleeper ¶ 2; Glidden ¶ 2. The facts as revealed by those declarations are as follows.

Plaintiff has published the magazine continuously since May 1975. Lemberger ¶ 3. The magazine is published bi-weekly and is sold in grocery and convenience stores in Maine, New Hampshire, Massachusetts, Vermont, Connecticut, Rhode Island, and New York. Lemberger ¶ 4. Plaintiff offers the magazine for display to the stores in magazine racks provided by Auto Hunter. Lemberger ¶ 6.

Since 1983, the cover of Auto Hunter depicts a large license plate with the words "Photo Classified Want Ads" in small letters above the title of the magazine, "Auto Hunter", which is in tall block letters. Lemberger ¶ 7; Complaint Exhibit 7. Below the license plate is the heading "Largest Vehicle Marketplace In The Northeast U.S." Below that caption are six black-and-white photographs of automotive vehicles arrayed in two columns of three photographs each. There are three lines underneath the photographs stating "THOUSANDS OF VEHICLES LISTED"; "Cars * Boats * Trucks * Rec. Vehicles * Bikes"; and "275,000 READERS * 7 STATES * BUY * SELL." The cover design typically features a two-color layout which alternates bi-weekly between warm and cold color schemes. Lemberger ¶ 7; Complaint Exhibits 1, 2. Plaintiff uses a pattern in its color selection that it alleges is predictable to anyone monitoring prior editions. Lemberger ¶ 11.

Defendant distributes Photo Classified, a photo classified advertisement magazine for automotive vehicles. Lemberger ¶ 8; Sleeper ¶ 3. Originally, the monthly magazine was distributed only in northern Maine, had significantly fewer listings than Auto Hunter, was of poorer quality, and had a cover design that was easily distinguishable from that of Auto Hunter. Lemberger ¶ 8; Sleeper ¶¶ 4, 5, Exhibit A; Glidden ¶ 3; Complaint Exhibit 3.

By the fall of 1995, Defendant had expanded distribution into southern Maine and New Hampshire. Lemberger ¶ 10. At the same time, Defendant changed the design of its cover to contain a rectangular film strip with the magazine title above six black-and-white photographs of automotive vehicles arrayed in two columns of three. Lemberger ¶ 10; Sleeper ¶ 11; Complaint Exhibit 4. Defendant also employed a two-color scheme similar to the one used by Plaintiff. Lemberger ¶ 10. In addition, Plaintiff's representatives allege that there were many incidents in which Defendant's magazine appeared in Plaintiff's retail display racks. Lemberger ¶ 10; Sleeper ¶ 12. Although Defendant's magazine increased in number of pages, it continued to be smaller than Auto Hunter and of poorer quality. Sleeper ¶¶ 10, 11; Glidden ¶ 6. At this time, Plaintiff began to experience a decrease in the sales of Auto Hunter in Maine stores. Sleeper ¶¶ 11, 13.

In the March 1996 issue of Photo Classified, Defendant made several more changes to the magazine cover. Lemberger ¶ 12.

Defendant rounded the corners of the photograph frames, added a heading above the photographs stating "MAINE & N.H. LEADIND [sic] VEHICAL [sic] MARKETPLACE," and inserted a frame at the bottom of the page providing "CARS, TRUCKS, BOATS, EQUIPMENT, SNOWMOBILES, RECREATIONAL VEHICLE., [sic] AND MUCH MORE." Lemberger ¶ 12; Complaint Exhibit 5. For the cover of the March 1996 issue, Defendant used a red and yellow color scheme similar to the one subsequently used by Plaintiff in the April 13, 1996, issue of Auto Hunter.¹ Lemberger ¶ 12; Complaint Exhibits 5, 6. In addition, for the April 1996 issue of Photo Classified, Defendant employed a blue and purple color scheme similar to the one subsequently used by Plaintiff in the April 27, 1996, issue of Auto Hunter. Lemberger ¶ 14; Complaint Exhibits 7, 8. Plaintiff further alleges that the number of reported incidents in which Photo Classified was found in Auto Hunter's retail display racks recently has increased. Lemberger ¶ 14; Sleeper ¶ 13; Glidden ¶ 9.

On April 26, 1996, Plaintiff filed a seven-count Complaint (Docket No. 1) against Defendant, seeking to recover pursuant to theories of (1) false designation of origin under the Lanham Act, 15 U.S.C. § 1125(a); (2) dilution of famous mark under the Lanham Act, 15 U.S.C. § 1125(c); (3) common law trademark infringement; (4) common law unfair competition; (5) Maine Deceptive Trade

¹ The record does not contain any indication as to the color scheme employed by Plaintiff in the March 2, March 16, and March 30 editions of Auto Hunter.

Practices Act, 10 M.R.S.A. §§ 1211-1216; (6) Maine Anti-Dilution Statute, 10 M.R.S.A. § 1530; and (7) common law unjust enrichment. Along with its Complaint, Plaintiff filed the present motion with declarations by Lemberger, Sleeper, and Glidden. The present motion is based on counts I, V, and VI, and Plaintiff urges this Court to enjoin Defendant from copying the cover design of Auto Hunter and from displaying Photo Classified in the retail display racks for Auto Hunter.

DISCUSSION

This Court may grant a preliminary injunction if a plaintiff has demonstrated that "(1) it has substantial likelihood of success on the merits, (2) there exists, absent the injunction, a significant risk of irreparable harm, (3) the balance of hardships tilts in its favor, and (4) granting the injunction will not negatively affect the public interest." TEC Engineering Corp. v. Budget Molders Supply, Inc., No. 95-1975, 1996 WL 199619, at *2 (1st Cir. Apr. 30, 1996); see Equine Technologies, Inc. v. Equitechnology, Inc., 68 F.3d 542, 544 (1st Cir. 1995).

Plaintiff contends that it is likely to succeed on the merits of its claims pursuant to section 43(a) of the Lanham Act, the Maine Deceptive Trade Practices Act, and Maine's Anti-Dilution Statute. On the record presently before the Court, however, Plaintiff has failed to demonstrate a substantial likelihood of success as to the three claims and, therefore, the Court will deny its motion.

1. Section 43(a) of the Lanham Act

A claim pursuant to section 43(a) of the Lanham Act,² unlike a claim pursuant to section 32, does not require that the trademark or name sought to be protected is federally registered. PHC, Inc. v. Pioneer Healthcare, Inc., 75 F.3d 75, 78 (1st Cir. 1996). To recover pursuant to section 43(a), Plaintiff must show, inter alia, that there is a likelihood of consumer confusion between its product and Defendant's. Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 769 (1992); Boston Beer Co. v. Slesar Bros. Brewing Co., Inc., 9 F.3d 175, 180 (1st Cir. 1993). That is, Plaintiff must establish that a consumer is likely to believe that Defendant's magazine is in fact Plaintiff's magazine.

² In pertinent part, section 43(a) of the Lanham Act provides as follows:

(1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which --

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person,

...

shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

15 U.S.C. § 1125(a)(1).

To determine whether a likelihood of confusion exists, eight factors are examined, none of which are individually conclusive. Equine Technologies, Inc., 68 F.3d at 546; Boston Beer Co., 9 F.3d at 183; Aktiebolaget Electrolux v. Armatron Int'l, Inc., 999 F.2d 1, 3 (1st Cir. 1993). Factual findings are required as to each of the factors. Equine Technologies, Inc., 68 F.3d at 546; Boston Beer Co., 9 F.3d at 183. The factors are: (1) similarity of marks; (2) similarity of goods; (3-5) channels of trade, advertising, and class of prospective purchasers;³ (6) evidence of actual confusion; (7) defendant's intent in adopting the mark; and (8) strength of the mark. Equine Technologies, Inc., 68 F.3d at 546; Aktiebolaget Electrolux, 999 F.2d at 3.

As to the similarity of the marks, the Courts finds the two magazines distinguishable. First, the names of the two magazines, Auto Hunter and Photo Classified, are quite dissimilar. Second, Plaintiff displays the title of its magazine in a license plate motif whereas Defendant has presented its title in filmstrip motif. Third, Plaintiff uses much larger letters than Defendant for its magazine title. Fourth, Defendant's cover contains a large graphic of a sports car next to its title whereas Plaintiff's cover does not. Fifth, there are several conspicuous typographical errors on the cover page of Defendant's magazine. Because the title of a magazine creates

³ In this circuit, these three factors are analyzed together. Equine Technologies, Inc., 68 F.2d at 546 & n.5; Aktiebolaget, 999 F.2d at 3 n.3.

one of the most prominent points of identification and distinction for consumers, the Court finds the two magazines distinguishable.

Furthermore, the Court remains as yet unpersuaded that Defendant has copied the color schemes of Plaintiff's magazine. Based on the dates of the publications it is reasonable to infer that Defendant published both the March 1996 and April 1996 issues of Photo Classified before Plaintiff published either the April 13, 1996, issue or the April 27, 1996, issue of Auto Hunter.⁴ It is also reasonable to infer, then, that Plaintiff knew of Defendant's color scheme soon enough before those Auto Hunter issues were published to adjust the color scheme of those issues accordingly. The publication sequence also diminishes the Court's inclination to believe the conclusory allegation of Plaintiff's president that the similarly colored magazines were on sale at the same time. See Lemberger ¶¶ 12, 14. The Court concludes, therefore, that Plaintiff has failed to demonstrate that Defendant is wholly responsible for any alleged confusion the similar color schemes might have caused.

As to the similarity of the goods, the Court also finds differences even though both magazines are photograph-based

⁴ The record contains neither any indication as to the precise date on which Defendant distributed the March and April issues of Photo Classified nor any indication as to the precise date on which the April 13 and April 27 issues of Auto Hunter were distributed. It is apparent that the April 27 issue of Auto Hunter was published before that date because Plaintiff filed the complaint on April 26, 1996, with an attached copy of the April 27 cover.

classified advertisement magazines. First, Defendant's magazine is allegedly of inferior quality. Second, Defendant's magazine contains fewer pages. Third, it appears that Plaintiff's magazine contains listings from a much larger geographic area than Defendant's and that, unlike Plaintiff's magazine, Defendant's carries listings from Canada. Fourth, Plaintiff publishes its magazine bi-weekly whereas Defendant publishes its monthly.

As to the channels of trade, advertising, and class of prospective purchasers, Plaintiff presents evidence that both Auto Hunter and Photo Classified are sold in some of the same grocery and convenience stores in Maine.

As to evidence of actual confusion, Plaintiff presents evidence that two of its distributors were confused initially upon seeing Defendant's magazine. Plaintiff, however, presents no evidence of actual confusion on the part of a consumer purchasing Defendant's magazine thinking it was Plaintiff's.

Plaintiff's strongest argument concerns Defendant's intent in adopting a similar magazine cover. Although Defendant initially employed a magazine cover very different from Plaintiff's, Defendant has since made significant changes which cause its cover to more closely resemble Plaintiff's. It could be inferred that Defendant has attempted to mimic Plaintiff's magazine cover. This inference, however, does not alter the Court's ultimate conclusion that Plaintiff has failed to demonstrate a likelihood of consumer confusion because Defendant,

in adopting a similar magazine cover, has not acted in such a way that is likely to cause actual consumer confusion.

As to strength of the mark, Plaintiff presents evidence that it has conducted its business since May 1975, that it has maintained the same cover design since 1983, and that it has worked hard to sell and market its magazine.

After examining of all of the above-listed factors, this Court concludes that Plaintiff has failed to establish that it has a substantial likelihood of success in proving that there is a likelihood of consumer confusion between its product and Defendant's. In reaching this conclusion, this Court finds most significant that the titles of the magazines are distinctive; that Defendant's magazine has fewer pages and is of inferior quality; and that Plaintiff has not produced sufficient evidence of actual consumer confusion. Therefore, this Court will deny Plaintiff's motion pursuant to section 43(a) of the Lanham Act.⁵

2. The Maine Deceptive Trade Practices Act

Plaintiff contends that Defendant's conduct violates the Maine Deceptive Trade Practices Act, 10 M.R.S.A. §§ 1211-1216

⁵ It is unnecessary, then, for the Court to examine the other elements of a section 43(a) claim.

(1980),⁶ because Defendant has engaged in conduct causing a likelihood of consumer confusion.

For the reasons stated above, the Court concludes that Plaintiff has failed to prove a substantial likelihood of success in establishing a likelihood of confusion. Accordingly, this Court will deny Plaintiff's motion as to the Maine Deceptive Trade Practices Act.

3. Maine's Anti-Dilution Statute

Plaintiff further contends that Defendant's conduct violates Maine's Anti-Dilution Statute, 10 M.R.S.A. § 1530,⁷ because

⁶ Plaintiff relies on the following provisions of Maine's Deceptive Trade Practices Act:

A person engages in a deceptive trade practice when, in the course of his business, vocation or occupation, he

A. Passes off goods or services as those of another;

B. Causes likelihood of confusion or of misunderstanding as to the source, sponsorship, approval or certification of goods or services;

C. Causes likelihood of confusion or of misunderstanding as to affiliation, connection or association with, or certification by, another;

... or

L. Engages in any other conduct which similarly creates a likelihood of confusion or of misunderstanding.

10 M.R.S.A. § 1212(1) (1980).

⁷ 10 M.R.S.A. § 1530 (1980) provides,

Likelihood of injury to business reputation or of dilution of the distinctive quality of a mark registered under this chapter, or a mark valid at common law, or a trade name valid at common law, shall be a ground for injunctive relief notwithstanding the

Defendant has created consumer confusion and has diluted the distinctive quality of Plaintiff's mark by creating an identical magazine.

As stated above, Plaintiff has failed to establish that Defendant has created consumer confusion. In addition, the Court further concludes that the magazine covers are not so similar as to cause an injury to Plaintiff's business reputation or to dilute the "distinctive quality of [Plaintiff's] mark." Accordingly, the Court concludes that Plaintiff has failed to demonstrate a significant likelihood of success as to this count of its Complaint.

CONCLUSION

Accordingly, it is ORDERED that Plaintiff's Motion for Temporary Restraining Order and Preliminary Injunction be, and it is hereby, DENIED.

GENE CARTER
Chief Judge

Dated at Portland, Maine this 7TH day of May, 1996.

absence of competition between the parties or the absence of confusion as to the source of goods or services.